
DIGEST

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Tucker

HB No. 825

Abstract: Allows a reemployed retiree of the District Attorneys' Retirement System to recalculate his benefit as though he had not retired, rather than earning a supplemental benefit during the period of his reemployment.

Present law (R.S. 11:1631(F)) provides that any reemployed retiree of the District Attorneys' Retirement System shall have his benefit suspended during the period of reemployment and shall resume active membership. Such reemployed retiree may establish service credit for the period of his reemployment by paying to the system the applicable employee and employer contributions plus interest for such period. Such retiree shall accrue a supplemental benefit for such period of reemployment. If he continued reemployment for less than 36 months, his supplemental benefit shall be calculated on the lesser of his average final compensation on his original retirement date or the average compensation during the period of his reemployment. If he continues in reemployment for 36 months or more, his supplemental benefit shall be calculated based on his average final compensation.

Proposed law retains present law except that a reemployed retiree may rescind his original retirement and have his benefit recalculated as though he had not retired by paying into the system an amount which offsets the accrued liability to the system resulting from the rescission of those original benefits. Such repayment must be made within 200 days of his reemployment date. Upon subsequent retirement his benefit shall be recalculated. However, for purposes of calculating his average final compensation, during the first 60 months of his reemployment his average compensation shall not increase by more than 10% for each 12-month period.

Effective July 1, 2009.

(Adds R.S. 11:1631(F)(3))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Retirement to the original bill.

1. Change the amount that must be paid by the reemployed member availing himself of proposed law from the benefits receive plus interest to an amount which on an actuarial basis offsets the accrued liability to the system resulting from the rescission of his original benefits.

2. Change the period during which such member's average compensation used to calculate benefits shall not exceed 10% for any 12 month period from 36 months to 60 months.